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City of Detroit

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TO: The Honorable City Council

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: February 3, 2014

RE: **REVIEW OF CONTRACTS AND PURCHASING FILES**

Attached is the list of contracts and purchase orders recommended by the Finance Department, Purchasing Division and the Water and Sewerage Department, and submitted to the City Council for referral to the Committees on February 4, 2014.

The comments and review of the Legislative Policy Division staff are printed in bold following the contracts.

Attachments

| | | |
|-----|-----------------|-----------------------------|
| cc: | Janice Winfrey | City Clerk |
| | Mark Lockridge | Auditor General |
| | Palencia Mobley | Mayor's Liaison |
| | Boysie Jackson | Purchasing Division |
| | Irvin Corley | Legislative Policy Division |
| | Marcell Todd | Legislative Policy Division |

Statistics compiled for the list of Contracts and Purchases submitted for referral on February 4, 2014.

| Department | No. of Contracts or Purchase Orders | Detroit-Based Business Bids | Change, Extension Increases, Renewals | Located in Detroit |
|--|--|--|--|-------------------------------|
| General Services | 1 | 0 | 1 Added Purchase | 0 |
| Homeland Security | 2 | 0 | 0 | 0 |
| Plan. & Development | 1 | 0 | 0 | 1 |
| Public Lighting 1 Emergency Procurement | 1 | 0 | 0 | 1 |
| Water & Sewerage | 1 | 0 | 1 Renewal | 0 |
| <hr/> | | | | |
| Totals | 6 | 0 Detroit-Based Business Bids | 1 Added Purchase 1 Renewal | 2 |

This list represents appropriations totaling approximately \$ 7,692,007.00¹

Included in the total costs are the following:

| | |
|------------------------------|-----------------|
| City General Fund | \$ 270,095.00 |
| General Obligation Bond Fund | \$ 20,970.00 |
| Grant Funds | \$ 425,942.00 |
| Water & Sewerage Funds | \$ 6,975,000.00 |

¹ This list includes: New Contracts for one-time purchases and a term of 1 year ; and contract renewal for 1 year.
Contracts submitted for City Council Session of February 4, 2014

TO: The Honorable City Council

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: February 3, 2014

RE: **CONTRACTS AND PURCHASE ORDERS SCHEDULED TO BE CONSIDERED
AT THE FORMAL SESSION OF FEBRUARY 4, 2014**

GENERAL SERVICES

2887859 100% Street Funding – To Provide Hustler X1 Mowers (Additional Purchase from RFQ #45273, PO #2880392) – REQ#291161, #292505 – Company: Munn Tractor Sales, Inc., Location: 3700 Lapeer, Auburn Hills, MI 48326 – Quantity (35) – Unit Price Range: \$7,717.00/Each – Lowest Bid – Contract Amount Not to Exceed: \$270,095.00

Costs budgeted to General Fund, Acct. 1000-470010-006004-644100-11830-0-A4510, Appropriation for Facilities and Grounds Maintenance includes available funding of \$5,025,056 as of January 31, 2014.

This is for the purchase of 35 additional mowers, previously bid as Request for Quotations No. 45273, and awarded to the Lowest of 2 Bids received, from Munn Tractor Sales.

Second bid received from Wright Tool, of Troy, MI for \$9,718 each.

Contract 2880392, with Munn Tractor Sales, for purchase of 15 mowers, at \$7,717 each; a Total of \$115,755 was approved by City Council on June 27, 2013.

General Services indicated in June 2013 they currently owned approximately 45 mowers; 32 were purchased around 2007; 13 were purchased about 2003. The estimated life span for the mowers is 5 to 6 years. The previous purchase of 15 was to replace the 2003 mowers.

This purchase of 35 mowers will replace some 2007 models that are reaching the end of their useful lifespan; and expand the total number of mowers.

According to Director Brad Dick, the Department requires, on a daily basis 50 new mowers for use on the parks and playgrounds, and 18 older models to cut grass on the street medians. Remaining, unused older mowers can be used for parts.

The proposed purchase of 35 mowers, combined with the previous purchase of 15 mowers, provides the General Services with a fleet of 50 new mowers. Additional equipment may be required if previously closed parks and playgrounds are anticipated to be re-opened.

Contract checklist, received Jan. 21, 2014, indicates this purchase of equipment is essential for cutting the grass in medians and the parks; equipment is not available through the cooperative agreements.

Covenant of Equal Opportunity Affidavit signed 5-15-13; TAXES: Good Through 7-30-14 and 6-30-14; Hiring Policy Compliance Affidavit signed 6-11-13; Slavery Era Records Disclosure Affidavit signed 6-11-13, indicating no records to disclose.

HOMELAND SECURITY

2871606 100% Federal Funding – To Provide a Sole Source Purchase for Shelter Products and Accessories for Emergency Management Tent Deployment procedures for Disaster Sheltering, Mass Prophylaxis Distribution, Decontamination, etc. These are allowable costs under the Homeland Security Grant Program – Company: Alaska Structures, Location: 9024 Vanguard Drive, Suite 101, Anchorage, AK 66507 – Total Estimated Cost: \$44,772.00

Costs budgeted to General Grants Fund, Acct. 3601-460409-310100-621900-13198-0-A1100, Appropriation for 2009 Metro. Medical Response Grant shows entire amount of \$115,108 has been encumbered leaving NO FUNDING available as of January 31, 2014; there are No Funds indicated to cover the costs of this contract.

The costs of this contract may have already been encumbered.

This is for the purchase of shelter products and accessories for use with large portable emergency tents, for use during emergency situations. According to the Office of Homeland Security, the tent structures cannot be used without these products and accessories.

This purchase was requested as a Sole Source and approved by the Purchasing Director on January 9, 2013. The products and accessories are manufactured and distributed only by BLU-MED Response Systems, a division of Alaska Structures.

According to the buyer, this procurement has been delayed for more than 1 year, obtaining required clearances and affidavits.

This purchase includes: Outside worklights, \$330; 3,000 sq. feet of hard flooring system, \$6,000; 20 folding chairs, \$960; 3 folding tables, \$330; 6 beds with mattress pad, linen, blanket and pillow, \$2,778; generator, \$424; HVAC system, \$2,508; 12 Vinyl Decals with "City of Detroit" (1 foot high lettering for \$500 each), \$6,000; 20 Vinyl Decals, 3 foot diameter, with "HSEM" (Homeland Security and Emergency Management) and "MMRS" (Metropolitan Medical Response) with City of Detroit, each for \$385, total of \$7,700; 20 foot Cargo Trailer, which may be the pop-up tent structure, for \$12,542.

According to Homeland Security, the assembly of the tents do not require any construction, they are portable and do not dig into the ground; the tents may be used for disaster sheltering, mass prophylaxis distribution, decontamination, etc.

Contract checklist, received Nov. 19, 2012, indicates this purchase of equipment is essential for "first responders" to set up portable stations to respond effectively in emergency situations.

Covenant of Equal Opportunity Affidavit signed 5-21-11; TAXES: Good Through 12-14-14 and 6-30-14; Hiring Policy Compliance Affidavit signed 11-1-12; Slavery Era Records Disclosure Affidavit signed 10-31-12, indicating business established 1979, no records to disclose.

Homeland Security - continued

2887275 100% Federal Funding – To Provide a Sole Source Purchase for an Emergency Badge and Credentialing System to include service, support, installation and training. 100% funded through Homeland Security Federal Grant Funds. – Company: Identisys Inc., Location: 7630 Commerce Way, Eden Prairie, MN 55344 – Total Estimated Cost: \$81,170.00

Costs budgeted to General Grants Fund, Acct. 3601-460410-310100-644100-13357-0-A1100, Appropriation for Metro. Medical Response System includes \$17,556 in available funding as of January 31, 2014 – this amount is NOT ADEQUATE to cover the costs of this contract; the total appropriation budgeted was \$98,726.

The costs of this contract may have already been encumbered.

The request to authorize this contract as a Sole Source Purchase was approved by the Purchasing Director on January 22, 2014. Identisys indicated to the Sole factory-trained source for service, support and installation of Mobile Solutions products. This business was the original supplier, trainer and installer of the badge system currently used by Homeland Security and Emergency Management.

According to the Proposal submitted by the vendor, existing mobile handheld units, Driver's License scanners, Wristband / label printers, and ID Centre software is being integrated into the new system, for significant savings.

Contract checklist, dated 12-9-13, indicates this purchase is essential to provide on-site credentialing and identification badges for emergency responders, when multi-jurisdictions are being used, credentialing is essential for security of the location and for the responders; and for use when the Emergency Center is activated.

Covenant of Equal Opportunity Affidavit signed 12-6-13; TAXES: Good Through 12-14-14 and 6-30-14; Hiring Policy Compliance Affidavit signed 12-6-13; Slavery Era Records Disclosure Affidavit signed 12-6-13, indicating business established 1999, no records to disclose.

2 previous contracts approved with Identisys include: No. 2792111 – approved July 28, 2009 - for the purchase of 10,500 preprinted Lanyards (strap worn around the neck to hold ID / name badges), with holographic topcoat used with the 2008 Public Officials Conference to distinguish between city government and private sector personnel for a cost of \$18,562.15;

and No. 2801357 for the purchase of Identity System Software – approved Week of August 3, 2009 – for \$11,480.04.

PLANNING & DEVELOPMENT

2882961 100% Federal Funding (Emergency Shelter Grant) – To Provide Rapid Re-Housing and Homeless Prevention Services to all City of Detroit residents who qualify – Company: Neighborhood Legal Services Michigan, Location: 7310 Woodward Avenue, Detroit, MI 48202 – Contract Period: October 1, 2013 through December 31, 2014 – Contract Amount Not to Exceed: \$300,000.00

Costs budgeted to Discretionary Grant Fund, Acct. 2002-361508-0-617900/ 651118/ 628500-13340-0-0, Appropriation for Emergency Solution Grant includes available funding of \$5,566,356 as of January 31, 2014.

Funding is from the 2011-2012 Emergency Solutions Grant to fund nonprofit organizations that provide emergency shelter, transitional housing and / or support services for the benefit of homeless persons. The Project Coordinator for the Agency is Gloria White.

This recommendation is based on proposals submitted for the funding from the Federal Government Emergency Solutions Grant. Community organizations receiving funding are indicated to be matching 100% of the awarded amount with their own agency dollars.

Services to be provided through this contract assistance to include: Case management and referrals of clients to obtain stability, financial assistance for rent and utilities as needed; Neighborhood Legal Services collaborates with Cass Community Social Services that provides housing to identify clients in need of homeless prevention and to provide housing services.

The estimated number of services includes: 100 intakes for Rapid re-housing (clients homeless or in shelter/transitional housing) with approximately 45 financially assisted;

150 intakes for homeless prevention (clients may be in arrears for rental or utility payments) with financial assistance provided to approximately 24.

Budgeted costs include: Personnel, including fringes, costs of \$99,000; Financial assistance for Rapid Re-housing for \$130,650; Financial assistance for Homeless prevention for \$70,350.

Matching funds provided from the following sources: Cass Community Social Services for \$101,400; Det. Public Schools for \$43,800; Ryan White Act for \$17,400; Victims of Crime Act (State of MI) for \$40,500; Agency funds of \$96,900.

Contract checklist, received 12-4-13, indicates this contract is essential to provide funding to non-profit Agencies as part of the City's agreement with HUD for the receipt of the grant funds.

Covenant of Equal Opportunity Affidavit signed 9-14-12; TAXES: Good Through 5-7-14 and 8-15-14; Hiring Policy Compliance Affidavit signed 9-27-12; Slavery Era Records Disclosure Affidavit signed 9-26-12, indicating no records to disclose.

PUBLIC LIGHTING

2888281 100% City Funding – Notification of Emergency Procurement as provided by Ordinance No. 15-00 – Please be advised of an Emergency Procurement as follows: Description of Procurement: Repair roof leaks at the Conner Substation and the Gallery/Witowski Substation. This is a serious situation as leaks can cause electrical flash-overs that would disrupt electric service to street lights, traffic signals, several schools, and the Coleman A. Young International Airport and a wide part of downtown. – Basic for the Emergency: To prevent electric power outages – Basic for Selection of Contractor: Current vendor under contract which is currently waiting to be renewed. – Contractor: MacDermott Roofing Inc., Location: 9301 Southfield, Detroit, MI 48228 – Total Amount: \$20,970.00

Costs budgeted to General Obligation Bond Fund, Acct. 4510-380080-003142-622400-00966-0-0, Appropriation for PLD System Improvements includes available funding of \$3,460,470 as of January 31, 2014.

Authorization to proceed with the Emergency Procurement was approved by the Purchasing Director on January 22, 2014.

As indicated above, this request is for repair of the roofs at the PLD Conner Substation and the Gallery/Witowski Substation. The electrical services provided through these substations could be disrupted or cause severe damage to computer control equipment at the Gallery.

Estimated costs for each location indicated to be: Conner Substation at 9945 Conner Road for \$14,120; and Witowski Substation / Gallery at 1340 Third Street & Michigan for \$6,850.

No warranty can be provided for either job, due to the age and condition of the existing roofs.

TAXES: Good Through 11-7-14 and 6-30-14. Purchasing Director authorized proceeding without the receipt of other affidavits (Covenant of Equal Opportunity, Hiring Policy Compliance, and Slavery Era Records Disclosure) to expedite this emergency procurement.

MacDermott Roofing previously was contracted to the City as a Skilled Trades Repair and Maintenance Services, Contract No. 2819196. This contract was approved in 2010 for a term of 2 years and estimated costs not to exceed \$600,000. The contract with MacDermott was re-submitted and approved on Sept. 11, 2012, for a 9-month extension, through April 14, 2013, with no additional funding. This skilled trades contract expired in April 2013.

General Services also recommended an Emergency Procurement with MacDermott Roofing to remove and replace the roofing at the McCurdy PLD Substation (No. 2884447) submitted the week of December 2, 2013 for a cost of \$25,196. The McCurdy Substation roof was fire-damaged due to fireworks that landed on the roof.

DETROIT WATER AND SEWERAGE DEPARTMENT

2832854 Renewal, 100% City Funding – To Provide Disposal of High Calcium Biosolids to landfills for the Waste Water Treatment Plant – RFQ 34286 – Waste Management of Michigan, 48797 Alpha Dr., Ste 150, Wixom MI 48393; Renewal contract period: February 1, 2014 through January 31, 2015 – Estimated cost \$6,975,000.00.

Costs budgeted to Sewage Operation and Maintenance Fund, Acct. 5402-425120-000231-617900-00162-731003-SD918.

This request is for the renewal of the current contract with Waste Management of Michigan, for 1 year, and an estimated cost of \$6,975,000. This renewal will increase the total costs authorized for this contract to \$27,063,000 from its initiation February 1, 2011 through the extended term of January 31, 2015.

According to the Department, there is currently \$3,988,547 left on the contract that has not been spent.

This contract was 1 of 2 contracts approved for the removal and disposal of high calcium lime sludge from the Wastewater Treatment Plant. Lime is added to the sludge for stabilization and to control odor. The sludge, after being treated with lime, is incinerated, removed to a landfill, or applied as a fertilizer. The estimated disposal requirements range from 1,000 to 2,000 wet tons daily. DWSD has required 2 vendors because, according to the Dept, neither have the landfill capacity or equipment to meet the daily requirements for removal of the sludge.

In addition to Waste Management, the 2nd contract was approved with Trinity Environmental (No. 2830714) that was also approved for a term of 2 years for \$13,5000, and renewed for 1 year – through Oct. 18, 2013 – for a cost of \$4,500,000; based on a rate of \$28.50 per ton, Monday through Saturday, and \$60 per ton to provide hauling on Sunday.

This contract with Waste Management was initially approved in January 2011 for a 2-year term, through January 2013 for \$13,500,000; the contract includes options to renew 2 years. The first renewal was submitted Jan. 22, 2013 with additional costs of \$6,588,000 for the renewal year. The estimated costs based on a rate of \$30.50 per ton (increase of 3.5% from initial rate of \$29.48 per ton).

This request is for the 2nd year renewal, the rate appears to be a 1.6% increase to \$31 per ton for an estimated 225,000 tons to be hauled over the 1 year period.

Covenant of Equal Opportunity Affidavit signed 1-21-14; TAXES: Good Through 10-3-14 and 6-30-14.

In addition to the 2 contracts for hauling sludge to the landfills; DWSD has a Contract 2864125 with Bio Tech Agronomics, approved May 2012 for a term of 2 years, through May 2014, for a cost of \$4,208,000 (rate of \$26.30 per ton) to use biosolids/sludge from the Wastewater Treatment Plant as fertilizer for farmland, used during warm weather, and must be used as fertilizer the same day as treated.